

HERRICK, FEINSTEIN, LLP
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*Special Conflicts Counsel to the Official Committee of
Unsecured Creditors of Sears Holdings Corporation, et al.*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

----- X	
In re:	: Chapter 11
	: :
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	: Case No. 18-23538 (RDD)
	: :
Debtors ¹	: (Jointly Administered)
	: :
	: :
----- X	

**EIGHTEENTH MONTHLY FEE STATEMENT OF HERRICK, FEINSTEIN
LLP FOR PROFESSIONAL SERVICES RENDERED AND DISBURSEMENTS
INCURRED AS SPECIAL CONFLICTS COUNSEL TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD OF
MAY 1, 2021 THROUGH MAY 31, 2021**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); SHC Licensed Business LLC (3718); SHC Promotions LLC (9626); Sears Brands Management Corporation (5365); and SRE Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179

Name of Applicant:	Herrick, Feinstein LLP
Authorized to Provide Professional Services To:	Special Conflicts Counsel to the Official Committee of Unsecured Creditors of Sears Holdings Corporation, <i>et al.</i>
Date of Retention:	March 22, 2019 <i>nunc pro tunc</i> to January 2, 2019
Period for Which Compensation and Reimbursement Is Sought:	May 1, 2021 through May 31, 2021
Monthly Fees Incurred:	\$16,239.50
20% Holdback:	\$3,247.90
Total Compensation Less 20% Holdback:	\$12,991.60
Monthly Expenses Incurred:	\$67.16
Total Fees and Expenses Requested:	\$13,058.76

This is a x monthly interim final application

Herrick Feinstein LLP (“Herrick Feinstein”), special conflicts counsel to the Official Committee of Unsecured Creditors (the “Creditors’ Committee”) of Sears Holding Corporation and its affiliated debtors and debtors in possession (collectively, the “Debtors”), hereby respectfully submits this statement of fees and disbursements (the “Eighteenth Combined Monthly Fee Statement”) covering the period from May 1, 2021 through May 31, 2021 (the “Compensation Period”) in accordance with the *Order Authorizing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (the “Interim Compensation Order”) [ECF No. 796]. By the Eighteenth Combined Monthly Fee Statement, and after taking into account certain voluntary discounts and reductions, Herrick Feinstein requests (a) interim allowance and payment of compensation in the amount of \$12,991.60 (80% of 16,239.50) for fees on account of reasonable and necessary professional services rendered to the Creditors’ Committee by Herrick Feinstein,

and (b) reimbursement of actual and necessary costs and expenses in the amount of \$67.16 incurred by Herrick Feinstein during the Compensation Period.

**FEES FOR SERVICES RENDERED
DURING THE COMPENSATION PERIOD**

Exhibit A sets forth a timekeeper summary that includes the respective names, positions, department, bar admissions, hourly billing rates and aggregate hours spent by each Herrick Feinstein professional and paraprofessional that provided services to the Creditors' Committee during the Compensation Period. The rates charged by Herrick Feinstein for services rendered to the Creditors' Committee are the same rates that Herrick Feinstein charges generally for professional services rendered to its non-bankruptcy clients.

Exhibit B sets forth a task code summary that includes the aggregate hours per task code spent by Herrick Feinstein professionals and paraprofessionals in rendering services to the Creditors' Committee during the Compensation Period.

Exhibit C sets forth a complete itemization of tasks performed by Herrick Feinstein professional and paraprofessionals that provided services to the Creditors' Committee during the Compensation Period.

**EXPENSES INCURRED
DURING THE COMPENSATION PERIOD**

Exhibit D sets forth a disbursement summary that includes the aggregate expenses, organized by general disbursement categories, incurred by Herrick Feinstein in connection with services rendered to the Creditors' Committee during the Compensation Period.

Exhibit E sets forth a complete itemization of disbursements incurred by Herrick Feinstein in connection with services rendered to the Creditors' Committee during the Compensation Period.

NOTICE AND OBJECTION PROCEDURES

Notice of this Eighteenth Combined Monthly Fee Statement shall be given by hand or overnight delivery or email where available upon (i) Sears Holdings Corporation, 3333 Beverly Road, Hoffman Estates, Illinois 60179, Attention: Mohsin Y. Meghji ([email: mmeghji@miiipartners.com](mailto:mmeghji@miiipartners.com)); (ii) counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Eighth Avenue, New York, NY 10153, Attention: Ray C. Schrock ([email: ray.schrock@weil.com](mailto:ray.schrock@weil.com)), Jacqueline Marcus ([email: jacqueline.marcus@weil.com](mailto:jacqueline.marcus@weil.com)), Garrett A. Fail ([email: garrettlail@weil.com](mailto:garrettlail@weil.com)), and Sunny Singh ([email: sunny.singh@weil.com](mailto:sunny.singh@weil.com)); (iii) William K. Harrington, the United States Trustee, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, NY 10014, Attention: Paul Schwartzberg ([e-mail: paul.schwartzberg@usdoj.gov](mailto:paul.schwartzberg@usdoj.gov)) and Richard Morrissey ([e-mail: richard.morrissey@usdoj.gov](mailto:richard.morrissey@usdoj.gov)); (iv) counsel to Bank of America, N.A., Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, NY 10036, Attention: Paul D. Leake ([email: paul.leake@skadden.com](mailto:paul.leake@skadden.com)), Shana A. Elberg ([email: shana.elberg@skadden.com](mailto:shana.elberg@skadden.com)) and George R. Howard ([email: george.howard@skadden.com](mailto:george.howard@skadden.com)); (v) Paul E. Harner, fee examiner, 1675 Broadway, New York, NY 10019 ([e-mail: harnerp@ballardspahr.com](mailto:harnerp@ballardspahr.com)); (vi) counsel to the fee examiner, Ballard Spahr LLP, 1675 Broadway, New York, NY 10019, Attention: Vincent J. Marriott ([e-mail: marriott@ballardspahr.com](mailto:marriott@ballardspahr.com)) and Tobey M. Daluz ([e-mail: dalurt@ballardspahr.com](mailto:dalurt@ballardspahr.com)); and (vi) counsel to the Official Committee of Unsecured Creditors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attention: Philip C. Dublin ([email: pdublin@akingump.com](mailto:pdublin@akingump.com)), Ira S. Dizengoff ([email: idizengoff@akingump.com](mailto:idizengoff@akingump.com)) and Sara Lynne Brauner ([email: sbrauner@akingump.com](mailto:sbrauner@akingump.com)), (collectively, the “Notice Parties”).

Objections to this Eighteenth Combined Monthly Fee Statement, if any, must be filed with the Court and served upon the Notice Parties so as to be received no later than **July 6, 2021** (the

“Objection Deadline”), setting forth the nature of the objection and the amount of fees or expenses at issue (an “Objection”).

If no objections to this Eighteenth Combined Monthly Fee Statement are filed and served as set forth above, the Debtors shall promptly pay eighty percent (80%) of the fees and one hundred percent (100%) of the expenses identified herein.

If an objection to this Eighteenth Combined Monthly Fee Statement is received on or before the Objection Deadline, the Debtors shall withhold payment of that portion of this Eighteenth Combined Monthly Fee Statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth above. To the extent such an objection is not resolved, it shall be preserved and scheduled for consideration at the next interim fee application hearing to be heard by the Court.

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Dated: New York, New York
June 21, 2021

HERRICK FEINSTEIN LLP

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*Special Conflicts Counsel to the Official
Committee of Unsecured Creditors of Sears
Holdings Corporation, et al.*

Exhibit A

Timekeeper Summary

PARTNERS	DEPARTMENT	YEAR OF BAR ADMISSION	RATE	HOURS	AMOUNT
Christopher W. Carty	Restructuring & Finance Litigation	2010	\$850.00	9.1	\$7,735.00
Sean O'Donnell	Restructuring & Finance Litigation	1998	\$1075.00	3.5	\$3,762.50
Total Partners				12.5	\$11,497.50
COUNSEL	DEPARTMENT	YEAR OF BAR ADMISSION	RATE	HOURS	AMOUNT
Kyle J. Kolb	Restructuring & Finance Litigation	2012	\$690.00	6.1	\$4,209.00
Total Counsel				6.1	\$4,209.00

PARALEGALS/ NON- LEGAL STAFF	DEPARTMENT	RATE	HOURS	AMOUNT
Larisa Poretsky	Litigation	\$410.00	1.3	\$533.00
Total Paralegals/ Non- Legal Staff			1.3	\$533.00

EXHIBIT B

Task Code Summary

Task Code	HOURS	AMOUNT (\$)
Fee/Employment Applications – B160	3.4	\$2,318.00
Other Contested Matters – B190	16.6	\$12,921.50
Total	20.00	\$16,239.50

Exhibit C

Itemized Fees



Official Committee of Unsecured Creditors of Sears Holdings
Attn: Ron Tucker
225 W. Washington Street
Indianapolis, IN 46204

June 16, 2021
Invoice Number: 547628
Matter Number: 19609.0001
Tax ID: [REDACTED] 1662

Re: **Sears Bankruptcy**

Fees for legal services rendered through May 31, 2021	\$16,239.50
Expenses posted through May 31, 2021	67.16
TOTAL	<u>\$16,306.66</u>
Unpaid balance from previous invoice(s)	\$40,751.20
Total Due Now	\$57,057.86

INVOICE PAYMENT IS DUE UPON RECEIPT. THANK YOU.

Kindly return this page with your check payment to:
Herrick, Feinstein LLP
2 Park Avenue
New York, NY 10016

Send wire payments to:
Citibank, N.A.
ABA Number: [REDACTED] 0089
Account Number: [REDACTED] 6165
SWIFT #: [REDACTED]



HERRICK

Invoice Number: 547628
Matter Number: 19609.0001
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LEGAL SERVICES RENDERED:

<u>DATE</u>	<u>NAME</u>	<u>TASK CODE</u>	<u>NARRATIVE</u>	<u>HOURS</u>
05/04/21	C. Carty	B190	Revise and finalize memorandum to UCC regarding findings in MTN investigation.	2.40
05/06/21	L. Poretsky	B160	Revise, assemble, reduct and e-file HF Sixteenth Monthly Fee Statement and submit to Prime Clerk for service	1.30
05/11/21	K. Kolb	B190	Analyze additional information from Barclays' counsel.	0.10
05/14/21	C. Carty	B190	Call with S. Brauner regarding MTN investigation update.	0.30
05/17/21	K. Kolb	B190	Revise affidavit.	0.60
05/17/21	K. Kolb	B190	Revise memo to UCC regarding investigation.	1.00
05/18/21	K. Kolb	B190	Revise memo to UCC and proposed affidavit.	0.70
05/19/21	K. Kolb	B190	Revise memo to UCC.	0.30
05/20/21	C. Carty	B190	Revise draft update memo to UCC based on comments received from UCC counsel.	1.10
05/20/21	K. Kolb	B190	Further revisions to memo based off feedback from C. Carty.	0.60
05/25/21	C. Carty	B160	Attend Sears omnibus hearing regarding interim fee applications and other matters.	2.10
05/28/21	C. Carty	B190	Participate in call with UCC counsel regarding MTN investigation status and next steps (0.7); prepare for same and review and analyze investigation memo and related materials (2.5).	3.20
05/28/21	S. O'Donnell	B190	Prep and conduct strategy call w/ Akin; precalls re same.	3.50
05/28/21	K. Kolb	B190	Analyze memo to UCC and related documents and case law in preparation for update call.	2.10
05/28/21	K. Kolb	B190	Attend call with Akin Gump regarding recommendation.	0.70
			TOTAL	\$16,239.50



HERRICK

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LEGAL SERVICES SUMMARY

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
C. Carty	9.10	850.00	7,735.00
K. Kolb	6.10	690.00	4,209.00
S. O'Donnell	3.50	1,075.00	3,762.50
L. Poretsky	1.30	410.00	533.00
TOTAL	20.00		\$16,239.50

DISBURSEMENTS:

	<u>AMOUNT</u>
Duplication	67.16
TOTAL:	<u>\$67.16</u>

TASK SUMMARY

<u>Task Code</u>	<u>Task Description</u>	<u>Hours</u>	<u>Amount</u>
B160	Fee/Employment Applications	3.40	2,318.00
B190	Other Contested Matters	16.60	13,921.50
TOTALS		20.00	\$16,239.50

PREVIOUS BILLS OUTSTANDING



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<u>Invoice #</u>	<u>Invoice Date</u>	<u>Original Amount</u>	<u>Less Credits Applied</u>	<u>Balance</u>
356647	07/16/20	62,817.18	60,748.68	2,068.50
540575	12/14/20	31,940.28	28,618.48	3,321.80
541327	01/19/21	51,933.19	44,680.99	7,252.20
542957	02/24/21	38,059.70	32,230.60	5,829.10
544217	03/25/21	4,063.00	3,290.40	772.60
545915	04/30/21	9,632.00	7,725.60	1,906.40
546768	05/25/21	19,600.60	0.00	19,600.60
Total Outstanding				\$40,751.20

Exhibit D

Disbursement Summary

Duplication	\$67.16
Total	\$67.16

Exhibit E

Itemized Disbursement

Title: Disbursement Detail

Date: 6/18/2021, 11:27:33 AM

Filters:

Posted Period: 202105

Matter: Official Committee of Unsecured Creditor (19609)Sears Bankruptcy (0001)

Disbursement ID	Client/Matter	Transaction Date	Disb Code	To Bill Amount	Billed Quantity
				\$67.16	
9252727	Official Committee of Unsecured	5/23/2021	Duplicating Supplies (020)	\$4.92	41.00
9252738	Official Committee of Unsecured	5/23/2021	Color Duplicating (036)	\$2.64	12.00
9252762	Official Committee of Unsecured	5/23/2021	Velobind/binding (038)	\$2.00	1.00
9252772	Official Committee of Unsecured	5/23/2021	Printing - blowback (089)	\$57.60	320.00